

State of Arizona
Senate
Fifty-second Legislature
First Regular Session
2015

CHAPTER 227

Senate Engrossed
FILED
MICHELE REAGAN
SECRETARY OF STATE

SENATE BILL 1188

AN ACT

AMENDING SECTIONS 42-1001 AND 43-105, ARIZONA REVISED STATUTES; RELATING TO
TAXATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-1001, Arizona Revised Statutes, is amended to
3 read:

4 42-1001. Definitions

5 In this title, unless the context otherwise requires:

6 1. "Board" or "state board" means either the state board of tax
7 appeals or the state board of equalization, as applicable.

8 2. "Court" means the tax court or superior court, whichever is
9 applicable.

10 3. "Department" means the department of revenue.

11 4. "Director" means the director of the department.

12 5. "Internal revenue code" means the United States internal revenue
13 code of 1986, as amended and in effect as of January 1, 2014 2015, including
14 those provisions that became effective during 2013 2014 with the specific
15 adoption of their retroactive effective dates but excluding all changes to
16 the code enacted after January 1, 2014 2015.

17 Sec. 2. Section 43-105, Arizona Revised Statutes, is amended to read:

18 43-105. Internal revenue code; definition; application

19 A. FOR THE PURPOSES OF COMPUTING INCOME TAX PURSUANT TO THIS TITLE,
20 FOR TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2014, "INTERNAL
21 REVENUE CODE" MEANS THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS
22 AMENDED, IN EFFECT ON JANUARY 1, 2015, INCLUDING THOSE PROVISIONS THAT BECAME
23 EFFECTIVE DURING 2014 WITH THE SPECIFIC ADOPTION OF ALL FEDERAL RETROACTIVE
24 EFFECTIVE DATES, BUT EXCLUDING ANY CHANGE TO THE CODE ENACTED AFTER JANUARY
25 1, 2015.

26 ~~A.~~ B. For the purposes of computing income tax pursuant to this
27 title, for taxable years beginning from and after December 31, 2013 THROUGH
28 DECEMBER 31, 2014, "internal revenue code" means the United States internal
29 revenue code of 1986, as amended, in effect on January 1, 2014, including
30 those provisions that became effective during 2013 with the specific adoption
31 of all federal retroactive effective dates, ~~but excluding any change to the~~
32 ~~code enacted after January 1, 2014~~ AND INCLUDING THOSE PROVISIONS OF THE
33 PHILIPPINES CHARITABLE GIVING ASSISTANCE ACT (P.L. 113-92), THE GABRIELLA
34 MILLER KIDS FIRST RESEARCH ACT (P.L. 113-94), THE COOPERATIVE AND SMALL
35 EMPLOYER CHARITY PENSION FLEXIBILITY ACT (P.L. 113-97), THE HIGHWAY AND
36 TRANSPORTATION FUNDING ACT OF 2014 (P.L. 113-159), THE TRIBAL GENERAL WELFARE
37 EXCLUSION ACT OF 2014 (P.L. 113-168), THE CONSOLIDATED AND FURTHER CONTINUING
38 APPROPRIATIONS ACT, 2015 (P.L. 113-235), THE 2014 AIRLINE BANKRUPTCY PAYMENTS
39 ROLLOVER ACT (P.L. 113-243) AND THE TAX INCREASE PREVENTION ACT OF 2014 (P.L.
40 113-295) THAT ARE RETROACTIVELY EFFECTIVE DURING TAXABLE YEARS BEGINNING FROM
41 AND AFTER DECEMBER 31, 2013 THROUGH DECEMBER 31, 2014.

42 ~~B.~~ C. For the purposes of computing income tax pursuant to this
43 title, for taxable years beginning from and after December 31, 2012 through
44 December 31, 2013, "internal revenue code" means the United States internal
45 revenue code of 1986, as amended, in effect on January 3, 2013, including

1 those provisions that became effective during 2012 with the specific adoption
2 of all federal retroactive effective dates, ~~but excluding any change to the~~
3 ~~code enacted after January 3, 2013~~ AND INCLUDING THOSE PROVISIONS OF THE
4 PHILIPPINES CHARITABLE GIVING ASSISTANCE ACT (P.L. 113-92), THE HIGHWAY AND
5 TRANSPORTATION FUNDING ACT OF 2014 (P.L. 113-159), THE TRIBAL GENERAL WELFARE
6 EXCLUSION ACT OF 2014 (P.L. 113-168), THE 2014 AIRLINE BANKRUPTCY PAYMENTS
7 ROLLOVER ACT (P.L. 113-243) AND THE TAX TECHNICAL CORRECTIONS ACT OF 2014
8 (P.L. 113-295, DIVISION A, TITLE II) THAT ARE RETROACTIVELY EFFECTIVE DURING
9 TAXABLE YEARS BEGINNING FROM AND AFTER DECEMBER 31, 2012 THROUGH DECEMBER 31,
10 2013.

11 ~~C.~~ D. For the purposes of computing income tax pursuant to this
12 title, for taxable years beginning from and after December 31, 2011 through
13 December 31, 2012, "internal revenue code" means the United States internal
14 revenue code of 1986, as amended, in effect on January 1, 2012, including
15 those provisions that became effective during 2011 with the specific adoption
16 of all federal retroactive effective dates, and including those provisions of
17 the FAA modernization and reform act of 2012 (P.L. 112-95), the moving ahead
18 for progress in the 21st century act (P.L. 112-141), ~~and~~ the American
19 taxpayer relief act of 2012 (P.L. 112-240), THE 2014 AIRLINE BANKRUPTCY
20 PAYMENTS ROLLOVER ACT (P.L. 113-243), THE TRIBAL GENERAL WELFARE EXCLUSION
21 ACT OF 2014 (P.L. 113-168) AND THE TAX TECHNICAL CORRECTIONS ACT OF 2014
22 (P.L. 113-295, DIVISION A, TITLE II) that are retroactively effective during
23 taxable years beginning from and after December 31, 2011 through December
24 31, 2012.

25 ~~D.~~ E. For the purposes of computing income tax pursuant to this
26 title, for taxable years beginning from and after December 31, 2010 through
27 December 31, 2011, "internal revenue code" means the United States internal
28 revenue code of 1986, as amended, in effect on January 1, 2011, including
29 those provisions that became effective during 2010 with the specific adoption
30 of all federal retroactive effective dates, and including those provisions of
31 Public Law 112-40, the moving ahead for progress in the 21st century act
32 (P.L. 112-141), ~~and~~ the American taxpayer relief act of 2012 (P.L. 112-240),
33 THE TRIBAL GENERAL WELFARE EXCLUSION ACT OF 2014 (P.L. 113-168) AND THE TAX
34 TECHNICAL CORRECTIONS ACT OF 2014 (P.L. 113-295, DIVISION A, TITLE II) that
35 are retroactively effective during taxable years beginning from and after
36 December 31, 2010 through December 31, 2011.

37 ~~E.~~ F. For the purposes of computing income tax pursuant to this
38 title, for taxable years beginning from and after December 31, 2009 through
39 December 31, 2010, "internal revenue code" means the United States internal
40 revenue code of 1986, as amended, in effect on January 1, 2010, including
41 those provisions that became effective during 2009 with the specific adoption
42 of all federal retroactive effective dates, and including those provisions of
43 the temporary extension act of 2010 (P.L. 111-144), the hiring incentives to
44 restore employment act (P.L. 111-147), the patient protection and affordable
45 care act (P.L. 111-148), the health care and education reconciliation act of

1 2010 (P.L. 111-152), the preservation of access to care for medicare
2 beneficiaries and pension relief act of 2010 (P.L. 111-192), the Dodd-Frank
3 Wall Street reform and consumer protection act (P.L. 111-203), the small
4 business jobs act of 2010 (P.L. 111-240), the claims resolution act of 2010
5 (P.L. 111-291), the tax relief, unemployment insurance reauthorization, and
6 job creation act of 2010 (P.L. 111-312), and the regulated investment company
7 modernization act of 2010 (P.L. 111-325) AND THE TAX TECHNICAL CORRECTIONS
8 ACT OF 2014 (P.L. 113-295, DIVISION A, TITLE II) that are retroactively
9 effective during taxable years beginning from and after December 31, 2009
10 through December 31, 2010.

11 ~~F.~~ G. For purposes of computing income tax pursuant to this title,
12 for taxable years beginning from and after December 31, 2008 through December
13 31, 2009, "internal revenue code" means the United States internal revenue
14 code of 1986, as amended, in effect on January 1, 2009, including those
15 provisions that became effective during 2008 with the specific adoption of
16 all federal retroactive effective dates, and including those provisions of
17 the American recovery and reinvestment act of 2009 (P.L. 111-5) except
18 section 1211, the consumer assistance to recycle and save act of 2009
19 (P.L. 111-32), the worker, homeownership, and business assistance act of 2009
20 (P.L. 111-92) except section 13, the hiring incentives to restore employment
21 act (P.L. 111-147), the patient protection and affordable care act (P.L.
22 111-148), the preservation of access to care for medicare beneficiaries and
23 pension relief act of 2010 (P.L. 111-192), the small business jobs act of
24 2010 (P.L. 111-240), and the tax relief, unemployment insurance
25 reauthorization, and job creation act of 2010 (P.L. 111-312)— AND THE TAX
26 TECHNICAL CORRECTIONS ACT OF 2014 (P.L. 113-295, DIVISION A, TITLE II) that
27 are retroactively effective during taxable years beginning from and after
28 December 31, 2008 through December 31, 2009.

29 ~~G.~~ H. For purposes of computing income tax pursuant to this title,
30 for taxable years beginning from and after December 31, 2007 through December
31 31, 2008, "internal revenue code" means the United States internal revenue
32 code of 1986, as amended, in effect on January 1, 2008, including those
33 provisions that became effective during 2007 with the specific adoption of
34 all federal retroactive effective dates and including those provisions of the
35 economic stimulus act of 2008 (P.L. 110-185), the heroes earnings assistance
36 and relief tax act of 2008 (P.L. 110-245), the heartland, habitat, harvest
37 and horticulture act of 2008 (P.L. 110-246), the housing assistance tax act
38 of 2008 (P.L. 110-289), the emergency economic stabilization act of 2008
39 (P.L. 110-343), the worker, retiree, and employer recovery act of 2008
40 (P.L. 110-458), the American recovery and reinvestment act of 2009
41 (P.L. 111-5) except section 1211, and the worker, homeownership, and business
42 assistance act of 2009 (P.L. 111-92) except section 13 AND THE TAX TECHNICAL
43 CORRECTIONS ACT OF 2014 (P.L. 113-295, DIVISION A, TITLE II) that are
44 retroactively effective during taxable years beginning from and after
45 December 31, 2007 through December 31, 2008.

1 H. I. For purposes of computing income tax pursuant to this title,
2 for taxable years beginning from and after December 31, 2006 through December
3 31, 2007, "internal revenue code" means the United States internal revenue
4 code of 1986, as amended, in effect on January 1, 2007, including those
5 provisions that became effective during 2006 with the specific adoption of
6 all federal retroactive effective dates and including those provisions of the
7 small business and work opportunity tax act of 2007 (P.L. 110-28), the energy
8 independence and security act of 2007 (P.L. 110-140), Public Law 110-141, the
9 mortgage forgiveness debt relief act of 2007 (P.L. 110-142), the tax
10 technical corrections act of 2007 (P.L. 110-172), the economic stimulus act
11 of 2008 (P.L. 110-185), the heroes earnings assistance and relief tax act of
12 2008 (P.L. 110-245), the heartland, habitat, harvest and horticulture act of
13 2008 (P.L. 110-246), the housing assistance tax act of 2008 (P.L. 110-289),
14 the emergency economic stabilization act of 2008 (P.L. 110-343), and the
15 worker, retiree, and employer recovery act of 2008 (P.L. 110-458) AND THE TAX
16 TECHNICAL CORRECTIONS ACT OF 2014 (P.L. 113-295, DIVISION A, TITLE II) that
17 are retroactively effective during taxable years beginning from and after
18 December 31, 2006 through December 31, 2007.

19 I. J. For purposes of computing income tax pursuant to this title,
20 for taxable years beginning from and after December 31, 2005 through December
21 31, 2006, "internal revenue code" means the United States internal revenue
22 code of 1986, as amended, in effect on January 1, 2006, including those
23 provisions that became effective during 2005 with the specific adoption of
24 all federal retroactive effective dates and including those provisions of the
25 tax increase prevention and reconciliation act of 2005 (P.L. 109-222), the
26 pension protection act of 2006 (P.L. 109-280), the tax relief and health care
27 act of 2006 (P.L. 109-432), the small business and work opportunity tax act
28 of 2007 (P.L. 110-28), the mortgage forgiveness debt relief act of 2007
29 (P.L. 110-142), the tax technical corrections act of 2007 (P.L. 110-172), the
30 heartland, habitat, harvest and horticulture act of 2008 (P.L. 110-246), and
31 the housing assistance tax act of 2008 (P.L. 110-289) AND THE TAX TECHNICAL
32 CORRECTIONS ACT OF 2014 (P.L. 113-295, DIVISION A, TITLE II) that are
33 retroactively effective during taxable years beginning from and after
34 December 31, 2005 through December 31, 2006.

35 J. K. For purposes of computing income tax pursuant to this title,
36 for taxable years beginning from and after December 31, 2004 through December
37 31, 2005, "internal revenue code" means the United States internal revenue
38 code of 1986, as amended, in effect on January 1, 2005, including those
39 provisions that became effective during 2004 with the specific adoption of
40 all federal retroactive effective dates and including those provisions of the
41 Katrina emergency tax relief act of 2005 (P.L. 109-73), the energy tax
42 incentives act of 2005 (title XIII of the energy policy act of 2005
43 (P.L. 109-58)), the gulf opportunity zone act of 2005 (P.L. 109-135), the tax
44 technical corrections act of 2007 (P.L. 110-172), the heartland, habitat,
45 harvest and horticulture act of 2008 (P.L. 110-246) and the housing

1 assistance tax act of 2008 (P.L. 110-289) that are retroactively effective
2 during taxable years beginning from and after December 31, 2004 through
3 December 31, 2005.

4 ~~K. For purposes of computing income tax pursuant to this title, for~~
5 ~~taxable years beginning from and after December 31, 2003 through December 31,~~
6 ~~2004, "internal revenue code" means the United States internal revenue code~~
7 ~~of 1986, as amended, in effect on January 1, 2004, including those provisions~~
8 ~~that became effective during 2003 with the specific adoption of all federal~~
9 ~~retroactive effective dates and including those provisions of the working~~
10 ~~families tax relief act of 2004 (P.L. 108-311), the American jobs creation~~
11 ~~act of 2004 (P.L. 108-357), the Katrina emergency tax relief act of 2005~~
12 ~~(P.L. 109-73), the energy tax incentives act of 2005 (title XIII of the~~
13 ~~energy policy act of 2005 (P.L. 109-58)), the gulf opportunity zone act of~~
14 ~~2005 (P.L. 109-135), the tax technical corrections act of 2007 (P.L. 110-172)~~
15 ~~and the heartland, habitat, harvest and horticulture act of 2008~~
16 ~~(P.L. 110-246) that are retroactively effective during taxable years~~
17 ~~beginning from and after December 31, 2003 through December 31, 2004.~~

APPROVED BY THE GOVERNOR APRIL 9, 2015.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 10, 2015.

Passed the House April 2, 2015,

by the following vote: 32 Ayes,

27 Nays, 1 Not Voting

[Signature]
Speaker of the House

[Signature]
Chief Clerk of the House

Passed the Senate February 16, 2015,

by the following vote: 16 Ayes,

13 Nays, 1 Not Voting

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

2nd day of April, 2015,

at 8:30 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 9th day of

April, 2015,

at 10:45 o'clock A. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 10th day of April, 2015,

at 8:15 o'clock A. M.
[Signature]
Secretary of State

S.B. 1188